

Navigation Economic Technologies Symposium

9-10 May 2003

Executive Summary

The Navigation Economics Technologies (NETS) research effort is part of the Planning Models Improvement program. The NETS effort is charged with improving tools and techniques for Corps of Engineer navigation economic analysis. This NETS sponsored symposium served to kick-off the inland navigation half of the NETS research program. Academics, other agency personnel, and Corps employees from districts, divisions, HQ and IWR [attended the symposium](#). Also present were representatives from the Office of Management and Budget and the Assistant Secretary of the Army for Civil Works.

The symposium was structured to first educate the academics and other agency personnel to the tools, techniques and data currently used by Corps analyst. This was followed by discussion of strengths and weaknesses in each of these areas. A “large group exercise” was used to elicit from the group a prioritized [list of focus areas](#) for the research program. Breakout groups were used to identify and present on two areas of interest; “models and modeling” and “peer review”.

A clear theme from the participants was that the improvements to Corps economic analysis needs to include a focus on modeling shipper’s behavior, with attention to off water choices. The spatial and cost components of such a model, including the alternative domestic markets, will influence the sensitivity of shipper decisions to origin-destination locations and inter-modal transportation costs.

The group also suggested non-structural alternatives (traffic management measures) could be more formally examined. That the assumption of perfectly elastic supply of the alternative modes may not be reasonable and should be examined by looking at the

supply chain cost structure of the alternative modes. The group also agreed that forecasting over the 50-70 year period of analysis cannot reasonably be done and that scenario analysis should be incorporated into the analytical process.

One goal for the symposium was to establish a peer review process to be used for all NETs products. Working in groups the participants were asked to identify the mechanics and participants of a review process they recommended for use on NETs products. Three visions were presented and the best element of the three will be used to establish a formal NETS review process.

The symposium was very successful in creating a shared vision of the current state of the art in Corps' navigation analysis. A consensus was reached on the limitation of the current methods and tools and a list of needs was developed to bridge the gap between the current state and the desired future. Moreover, a community of academic, other agency and Corps practitioners was formed which bodes well for the future success of the NETs research effort.